MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2019/2020

DBS5644 – FUNDAMENTALS OF MARKETING

(All sections / Groups)

7 MARCH 2020
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 12 pages excluding the cover page.
2. For SECTION A questions, please answer in the OMR sheet provided.
3. For SECTION B questions, please answer in the Answer Booklet provided.

SECTION A: Multiple Choice Questions (40 Marks)

1. Nizam saw one company that can bring more profit to his business and he decided to buy it for future planning. The decision made by Nizam is called _____.

   A. market development
   B. market penetration
   C. acquisition
   D. product development

2. The following are examples of acquisitions **EXCEPT** _____.

   A. buying a patent
   B. buying a license
   C. buying a trademark
   D. selling a license

3. One estimation about new product introduced by established companies is they will always fail within two years. Which of the following is **NOT** the reason for this problem?

   A. Did not estimate market size
   B. Poor product design
   C. Incorrect positioning
   D. Incorrect timing

4. Azah's internal sources of idea generation refers to _____.

   I. her company's own formal research and development
   II. her management and staff
   III. intrapreneurial programmes

   A. I and II.
   B. I and III.
   C. II and III.
   D. I, II, and III.

5. _____ involves inviting broad communities of people at large into the new product innovation process.

   A. Idea screening
   B. Crowdsourcing
   C. Public relation
   D. Product image

Continued...

6. The concept development of new product can be distinguished as follows _____.

I. product idea
II. product concept
III. product image
IV. product pricing

A. I and II.
B. II and III.
C. I, II and III.
D. I, II, III and IV.

7. _____ is the sum of all the values that customers exchange for the benefits of having the product or service.

A. Price
B. Cost
C. Revenue
D. Consumption

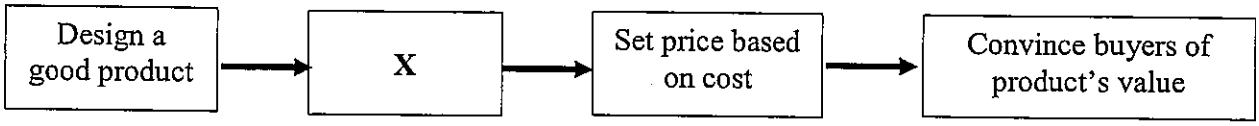

Figure 1

8. Figure 1 above shows cost-based pricing strategy. Identify **X**.

A. Determine the value.
B. Set target price.
C. Determine product costs.
D. Determine costs that can be incurred.

9. Examples of variable costs include the following **EXCEPT** _____.

A. raw materials
B. packaging
C. labour
D. plant

Continued...

Picture 1

10. Which type of product mix pricing strategies apply to Picture 1 above?

A. By-product pricing
B. Product bundling pricing
C. Optional product pricing
D. Captive product pricing

11. It is important to build relationships not only with customers but also with _____ in the company's _____.

A. wholesalers; center
B. product; service
C. key suppliers; supply chain
D. supply chain; key suppliers

12. _____ include the marketing channels that look toward the customers, including retailers and wholesalers.

A. Upstream partners
B. Downstream partners
C. Middlestream partners
D. Horizontal partners

13. Which of the following shows how channel members add value?

I. Information.
II. Promotion.
III. Contact.
IV. Physical distribution.

A. I and II.
B. I and III.
C. I, II, and III.
D. I, II, III, and IV

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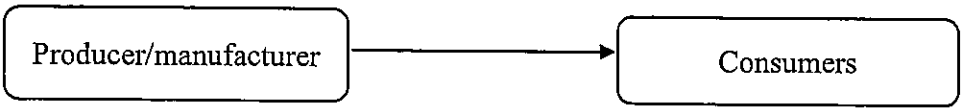
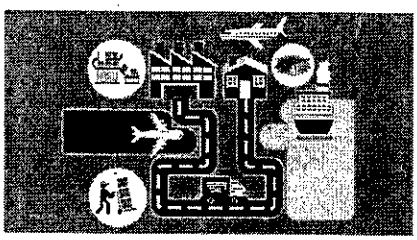


Figure 2

14. The type of channel level best illustrates Figure 2 is _____.

A. direct marketing channel
B. indirect marketing channel
C. supply chain channel
D. channel behaviour



Picture 2

15. Picture 1 shows _____ which involve making decision on the best way to store, handle, and move their products and services so they are available to customers in the right time and right place.

A. marketing logistic
B. marketing segmentation
C. marketing promotion
D. marketing chain

Picture 3

16. What type of promotion mix that Picture 3 best illustrates?

A. Print
B. Online
C. Broadcast
D. Outdoor

Continued...

17. In order to increase sales revenue, Saleha Fashion is offering a 15% off for every three items purchased. This situation refers to _____.

A. coupons
B. displays
C. discounts
D. demonstrations

18. The _____ is the party who sends the message and _____ is the process of putting thought into symbolic form.

A. encoding; sender
B. message; sender
C. response; encoding
D. sender; encoding

"I heard Cik Kiah's nasi lemak is so delicious. Let's go try one!"

Situation 1

19. Situation 1 above shows cultivating opinion leaders and getting them to spread information about a product or service to others. This refers to _____.

A. sales marketing
B. buzz marketing
C. target marketing
D. online marketing

20. _____ involves the communicator to understand the effect on the target audience by measuring behaviour resulting from the content.

A. Collecting feedback
B. Advertisement feedback
C. Personal selling
D. Non-personal communication

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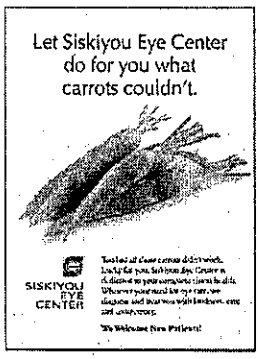


Picture 3

21. Picture 3 above aims to introduce a product to build primary demand. This advertising refers to _____.

A. persuasive advertising
B. comparative advertising
C. reminder advertising
D. informative advertising

22. Which of the following advertising objectives aims to create customer engagement and build brand community?

A. Informative advertising
B. Persuasive advertising
C. Reminder advertising
D. Possible advertising

23. One of the major steps in advertising media selection is determining the _____.

I. reach
II. frequency
III. impact

A. I only.
B. I and II.
C. II and III.
D. I, II, and III.

24. The advantages of _____ advertising are high coverage and low cost per exposure.

A. magazine
B. social media
C. television
D. direct mail

Continued...

25. In deciding the media timing, it is important to consider pattern of the advertising which can be either _____ or _____.

A. continuity; pulsing
B. impact; effectiveness
C. specific; complicated
D. technical; costly

26. Video or Web conferencing is an example of _____.

A. broadcasting
B. social media
C. radio
D. personal selling

Ah Heng appoints different person to sell different model of Perodua's cars for his company.

Situation 2

27. In Situation 2, the sales force strategy adopted by Ah Heng is _____.

A. territorial sales force structure
B. product sales force structure
C. customer sales force structure
D. normal sales strategy

28. _____ is referring to grouping accounts into different classes to determine the number of salespeople needed.

A. Sales force
B. Market sale
C. Workload approach
D. Inside sales force

29. The following are the goals of training salespeople **EXCEPT**_____.

A. knowledge of products, company and competitors
B. customer knowledge
C. selling process
D. always follow customers to sell product/service

Continued...

30. _____ is the last step in which the salesperson follows up after the sale to ensure customer satisfaction and repeat purchase.

A. Closing
B. Follow-up
C. Handling objections
D. Presentation

31. _____ is the process of identifying, assessing, and selecting key competitors.

A. Competitor analysis
B. Competitor advantages
C. Competitor marketing
D. Competitor cooperation

32. Developing _____ is to position the company against competitors and give it the greatest possible competitive advantage.

A. competitor advantage
B. competitor cooperation
C. competitor analysis
D. competitive marketing strategies

33. Competitors can include the following **EXCEPT** _____.

A. firms making the same product or class of products
B. firms making product that supply same service
C. firms making totally different products
D. firms competing for the same consumer dollars

Andy's Taylor always make sure their product has their own identity which the customers can recognise immediately.

Situation 3

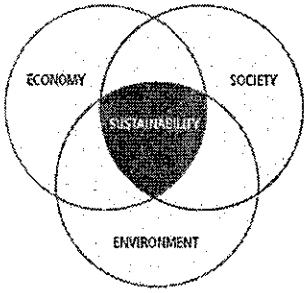
34. Situation 3 above represents one of the basic competitive strategies which is referred as _____.

A. focus strategy
B. differentiation strategy
C. cost leadership strategy
D. middle of the road strategy

Continued...

35. _____ refers to a company which provides superior value by offering a continuous stream of leading-edge products or services.

A. Cost leadership
B. Market leadership
C. Product leadership
D. Customer oriented



Picture 4

36. Which of the following marketing concept best explains Picture 4 above?

A. strategic marketing concept
B. sustainable marketing concept
C. societal marketing concept
D. not related to any marketing concept

37. Which of the followings are the practices of deceptive marketing?

I. Deceptive pricing.
II. Deceptive promotion.
III. Deceptive packaging.
IV. Deceptive idea.

A. I and II.
B. I and III.
C. I, II and III.
D. I, II, III and IV.

38. _____ is a practice when a company causes their product to become obsolete before they actually need a replacement.

A. Planned obsolescence
B. Shoddy products
C. Poor service
D. False wants

Continued...

When there are too many cars produced in a year, more roads, highways and parking spaces are needed.

Situation 4

39. What are the social costs can be derived from the situation 4 above?

A. Easy travelling
B. Convenient to the drivers
C. Air pollution
D. Less traffic congestion

40. _____ is an organised movement of citizens and government agencies to improve the customer's rights and power to sellers.

A. Environmentalism
B. Opportunism
C. Consumerism
D. Capitalism

[Total: 40 Marks]

Continued...

SECTION B: Structured Questions (60 Marks)

QUESTION 1

Malaysia – Pricing

Malaysians are price sensitive, but also brand conscious. A number of factors should be taken into consideration when determining appropriate product pricing. Some factors to consider are the exchange rate, applicable taxes and duties, pricing differences between urban and rural areas, and transportation costs to more remote areas. There may also be some government regulations for certain industries that affect the price charged to customers and other end-users.

Another factor to consider is the standard of living in Malaysia. The country is one of the most affluent in the Southeast Asian region, which means that higher-priced products and services have a niche market. However, prices of general consumer goods should reflect the lower cost of living and purchasing power of the average Malaysian. The Malaysian Investment Development Authority (MIDA) maintains a table of prices of select consumer goods.

Source from www.export.gov; 19 August 2019

(a) Based on the article above, list **SIX (6)** factors that can influence the marketers in determining the product price? (6 marks)

(b) From the article, what type of market does Malaysia have for higher-priced products and services? (1 mark)

(c) Due to price sensitivity among Malaysian, explain **TWO (2)** price adjustment strategies that can be implemented by the companies. (4 marks)

[Total: 11 Marks]

Continued...

QUESTION 2

(a) Explain **THREE (3)** ways to increase sales morale and performance of a salespeople. (9 marks)

(b) Discuss the first two steps in personal selling i.e. *prospecting and qualifying* and *pre-approach.* (6 marks)

[Total: 15 Marks]

QUESTION 3

(a) List the **FIVE (5)** competitor's objective in assessing competitors. (5 marks)

(b) Describe **TWO (2)** factors to consider in selecting competitors to attack and avoid. (6 marks)

(c) Discuss the **THREE (3)** approaches to marketing strategy. (9 marks)

[Total: 20 Marks]

QUESTION 4

(a) List any **FIVE (5)** marketing impacts on individual consumers. (5 marks)

(b) Explain the **THREE (3)** traditional buyer's rights. (6 marks)

(c) List any **THREE (3)** sustainable marketing principles. (3 marks)

[Total: 14 Marks]

End of Paper